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March 13th, 1959

COCOM Document No. 3455

COORDINATING COMMITTEE

5. General

RECORD OF DISCUSSION

<u>on</u>

UNITED STATES PROPOSAL TO ADD ITEM 1510 TO THE ITEMS LISTED IN ITEM 1416(c).

March 9th, 1959

Present:

Belgium(Luxembourg), Canada, Denmark, France, Germany, Italy,

Japan, Netherlands, United Kingdom, United States.

Roferences: COCOM 549, 1104, 3376, 3379, 3397, 3422, 3445, Sub-C (58) 3.

- 1. The CHAIRMAN recalled that the previous discussion had been adjourned in response to a suggestion by the United States Delegate that Member Countries might like further time in which to make a thorough study of this question. He enquired whether Delegates were able to inform the Committee of any change in their authorities' position.
- 2. The CANADIAN Delegate said that his authorities could accept the inclusion of Item 1510 in Item 1416(e) on the condition recorded in paragraph 2 of COCOM 3397.
- 3. All other Delegates, with the exception of the United States Delegate, stated that the position of their authorities remained unchanged.
- 4. The UNITED STATES Delegate said that in face of the Committee's inability to agree to add the whole of Item 1510 to Item 1416(e), his authorities preferred not to split Item 1510 into two parts, only one of which would be added to Item 1416(e), since they continued to feel that the second part which would be excluded by the German condition was very important. The United States authorities therefore suggested that the Committee should accept the retention of part of Annex C to COCOM 549 (the Annex dealing with the installation of embargeed items in vessels being constructed or fitted out for sale to the Sowiet Bloc), as amended by COCOM 1104, in so far as it dealt with Item 1510. Without prejudice to their position on the repair of ships, they proposed the following wording:

"With respect to the construction of ships for the Soviet Bloc and to the fitting out of secondhand ships for sale to the Soviet Bloc, Member Countries should take such steps as may be necessary to avoid, to the maximum extent possible, the installation of equipment covered by the definition of Item 1510."

5. The GERMAN Delegate thanked the United States Delegate for his proposal but said that he doubted if it would be acceptable to his authorities. The Committee would recall that during the 1958 revision the German authorities had accepted the extension of Item 1510 in order to prevent large sales of fish finding and whale finding equipment to the Soviet Bloc to prevent misuses. The German authorities maintained, however, that there should be freedom to install single units of such equipment in a new or secondhand vessel and therefore the new United States proposal, although presenting an advance on their previous position, still seemed to be too restrictive. The Delegate considered that the provisions of Annex C to COCOM 549 were obsolete since they had been replaced by Item 1416(e) which specified the items which should not be installed in vessels supplied to the Soviet Bloc.

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- 6. The UNITED KINGDOM Delegate recognised that the new United States proposal was less rigorous and less mandatory than the original United States position but it was still unacceptable to his authorities. The United Kingdom felt that the installation of some sets of fish finding equipment in vessels sold to the Bloc did no harm from the strategic point of view and in any event such cases would be few in number. The fact that similar equipment was of use in the Royal Navy was of no significance at this point.
- 7. The DANISH Delegate said that he would have to report this new proposal to his authorities. The United States proposal seemed however, to him personally, reasonable and fair. He stressed that no Member Country had a special interest in selling equipment covered by Item 1510 to the Soviet Bloc, it was simply that the shipbuilding nations did not wish to lose an order because they could not install this equipment in a vessel they were constructing or fitting out. Provided the United States did not insist upon prior consultation the Delegate saw no objection to the United States proposal. The new wording would mean that, if in a definite case it was really necessary to install such equipment in order to sell a ship, a Member Country would be free to go ahead with the installation.
- 8. The COMMITTEE decided to adjourn the discussion until March 12th.

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